

# Employment Workgroup Challenges for Change

## Executive Summary

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### Employment is the road to self-sufficiency

Employment is the only practical mechanism to reduce dependency on services and benefits for Agency of Human Services (AHS) consumers. Recent and prospective reductions in AHS services increase the need for return to work services. Without effective employment services, reductions in AHS services may simply result in consumers returning to the system through another door. Yet, despite the critical importance of work in the lives of the people we serve, AHS employment programs are dispersed across four separate departments and at least seven divisions.

### Creative Workforce Solutions (CWS)

The Challenges Workgroup has developed a consolidated and coordinated approach to employment services under a single entity called Creative Workforce Solutions (CWS). CWS will provide equal access to meaningful work in the competitive job market for all AHS program participants. It will also offer employers a single point of contact for coordinated job development and placement services across AHS programs. This approach will significantly improve ease of access for employers.

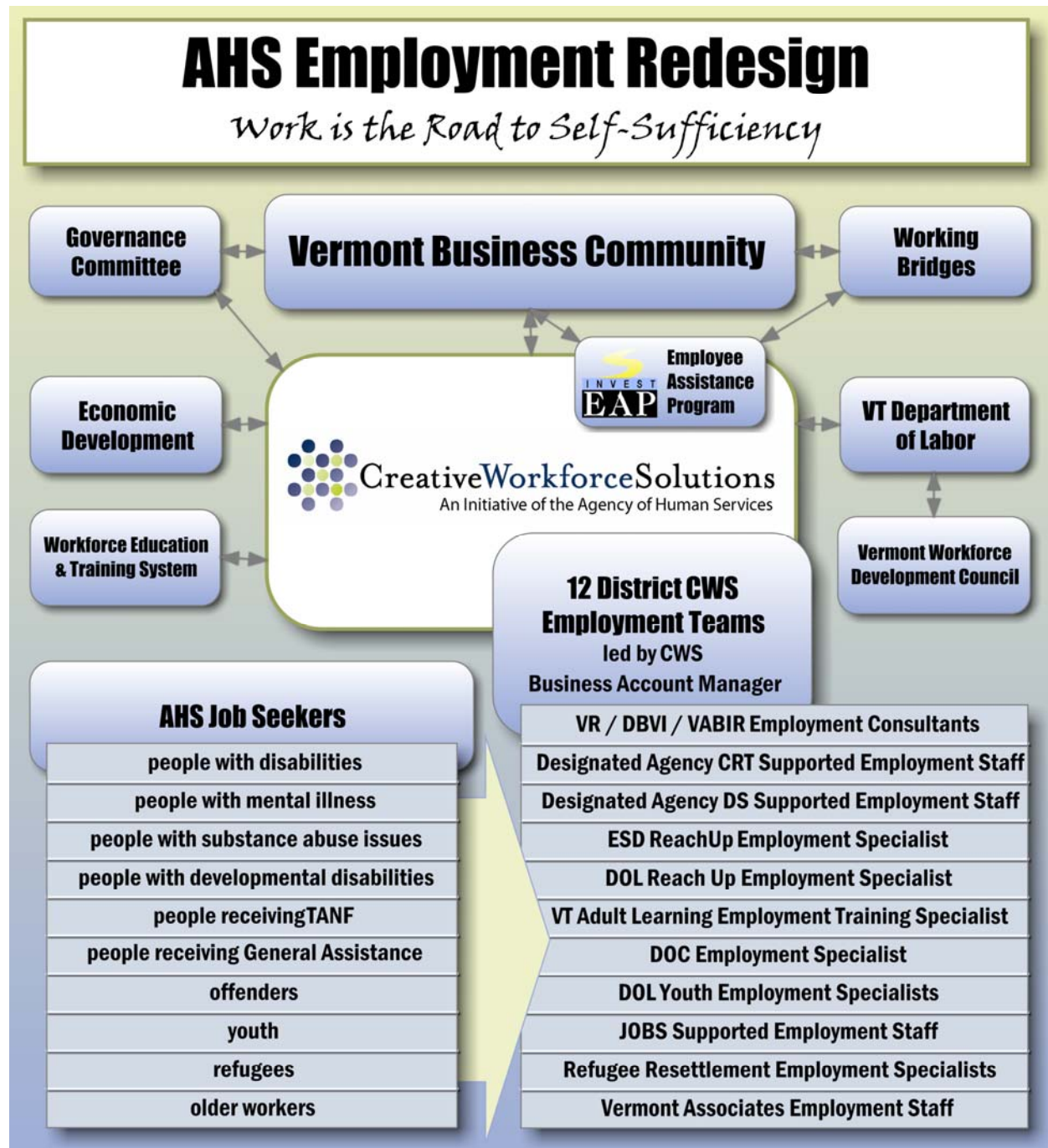
### Operational Design

All AHS employment services will be coordinated through CWS. CWS will establish common standards and tools for marketing and account management. Employer contacts statewide will be managed through a common account management system using the Salesforce™ Customer Relations Management software.<sup>1</sup> At the local level CWS Business Account Managers will coordinate employer outreach through local employment teams built on the existing employment coalitions. The redesign will be based on proven approaches developed by DVR to serve a wide variety of AHS customers based on these key principles:

- A dual customer focus on the employers' as well as the consumers' needs.
- A performance-based approach to staff and contract management.
- Individualized approach to the employment needs of our consumers.
- A system of progressive employment that gradually increases hours and responsibilities based on the skills and needs of the individual.
- A focus on career development and placements that respect individual choice.
- Effective assessment prior to placement, and follow-up and support post-placement.

The service infrastructure behind CWS will vary based on consumer need, program requirements and program infrastructure. Some AHS programs already have well-established employment services and these programs will coordinate employer outreach through CWS. Other programs that have almost no or limited community-

based employment services will contract for employment services directly from CWS, based on the level of demand in their program.



### CWS will support the work of the other Challenges Groups

By having a strong employment component to AHS services, youth, Reach Up participants, those coming from Corrections, refugees and other constituents will become employed more rapidly, and will begin earning incomes. Helping AHS

customers become employed and increase their economic self-sufficiency will ultimately help reduce benefit payments and caseloads across programs.

For example, research has shown that offenders who are employed post-release are less likely to re-offend, hence CWS services to promote employment for offenders will benefit the Department of Corrections by reducing recidivism and likewise the Economic Services Division by reducing reliance on public benefits.

Some of the most significant redesign efforts are being developed for Reach Up participants, for adults under the supervision of the Department of Corrections, and for people with chronic and persistent mental illness.

**Reach Up:** DVR will be managing all the community-based employment contracts for Reach Up including contracts with Vermont Adult Learning and the Department of Labor. Major functions like job development, vocational assessment, and training will be consolidated at the state and local levels, yielding significant economies of scale.

**Corrections:** CWS plans to expand a Burlington pilot for community-based employment services for adults under the supervision of DOC. Currently DOC has excellent facility-based vocational services but almost no community-based employment services.

**Department of Mental Health, CRT Program:** Research demonstrates that adults with severe mental illness who are employed experience reduced symptoms and require fewer services. DMH and DVR are collaborating to implement a number of strategies to increase the employment rate of CRT consumers including performance based contracting.

### **CWS will strengthen AHS partnerships with the Department of Labor (DOL)**

Currently, DOL interacts with multiple AHS programs and community agencies. The coordinated approach proposed under CWS will provide DOL a single point of contact for ongoing partnership. It will also give AHS employment programs greater leverage in accessing DOL employment resources for AHS customers. DOL will be a member of the governance committee for CWS and DOL representatives will participate on the local CWS employment teams.

### **CWS will build on existing infrastructure to ensure rapid implementation**

DVR has in place much of the infrastructure to implement CWS employment services. This will allow for rapid implementation of redesign and ensure we build on established capacity.

- In partnership with VABIR, DVR has a statewide network of employment consultants with extensive links to local employers and has established Employment Coalitions in all twelve AHS districts with other AHS programs, community partners and local schools.
- DVR has a well-established partnership with the Vermont Department of Labor.

- DVR has designated senior employment consultants to act as Business Account Managers who work exclusively in the community developing relationships with employers.
- DVR has an aggressive marketing campaign for Creative Workforce Solutions and a CWS website devoted exclusively to employers.

## Outcome/Indicators

AHS employment services are provided across four departments and seven divisions. While the broad outcomes are similar, meaningful indicators of progress will vary across populations and programs. Given the barriers to sustained employment among these populations, these goals are very ambitious.

Outcome	Indicators
More AHS customers will be employed	<ul style="list-style-type: none"> <li>▪ CWS employment rates overall as measured through Vermont Department of Labor (VDOL) Unemployment Insurance (UI) quarterly earnings data.</li> <li>▪ <u>Department of Mental Health (DMH) Community Rehabilitation and Treatment (CRT) Program</u>: Employment rate of CRT consumers as a percentage of total served based on VDOL UI data.</li> <li>▪ <u>Department of Disabilities, Aging and Independent Living Services Developmental Disability Services (DDAS) Program</u>: Employment rate of DDAS consumers as a percentage of total served based on annual program reports.</li> <li>▪ <u>Department for Children and Families (DCF) Reach Up Program (RU)</u>: Work participation rates of RU consumers.</li> <li>▪ <u>Department of Corrections (DOC)</u>: Percentage of DOC consumers employed post release.</li> <li>▪ <u>Division of Vocational Rehabilitation (DVR) and Division for the Blind and Visually Impaired (DBVI)</u>: Number of individuals closed as successfully employed.</li> </ul>
Wages will increase	<ul style="list-style-type: none"> <li>▪ CWS consumer earnings across programs as measured quarterly through VDOL UI data</li> </ul>
Employment retention will increase	<ul style="list-style-type: none"> <li>▪ CWS consumer employment retention across programs as measured through VDOL UI data</li> </ul>
Benefits utilization and recidivism will decrease	<ul style="list-style-type: none"> <li>▪ RU consumer grants closed or reduced because of employment.</li> <li>▪ Cash benefit reductions—ReachUp, Supplemental Security Income (SSI), and General Assistance (GA)— resulting from employment for DVR, DBVI, Refugee Resettlement, and DOC populations served by CWS.</li> <li>▪ Reduced recidivism (re-conviction) for DOC and RU consumers</li> </ul>
Cost per outcome will decrease	<ul style="list-style-type: none"> <li>▪ Cost for initial placement and support.</li> <li>▪ Cost for long and short term post placement support.</li> </ul>
Customer satisfaction will increase for employers, consumers and stakeholders	<ul style="list-style-type: none"> <li>▪ <u>Employers</u>: Feedback through CWS coalitions and formal survey data.</li> <li>▪ <u>Consumers</u>: Survey data as measured through the various departments/divisions.</li> </ul>

Outcome	Indicators
	<ul style="list-style-type: none"> <li>Stakeholders: CWS partner meetings.</li> </ul>

## Estimated Savings and Return on Investment

### Return on Investment

Effective employment services will reduce recidivism and benefits utilization. Employment will reduce dependency on services and benefits for AHS consumers. With reductions in other AHS services, effective employment services will be needed more than ever to prevent adults and families returning to the benefits rolls or service systems.

### Supporting Savings Across AHS Programs

- Consolidating Reach Up grants management through Creative Workforce Solutions will assist DCF in meeting its 3% grant reduction.
- By increasing work participation rates for Reach Up participants, the employment initiative will save 1.2 million dollars.
- The employment initiative will support savings in the General Assistance (GA) program by moving chronic GA recipients to Social Security disability benefits and moving GA recipients off the rolls to work or elsewhere.
- The employment initiative will support and sustain the DOC Challenge savings. As more offenders are being managed in the community, finding and maintaining work becomes an essential service to sustain successful reintegration and reduce recidivism of offenders overall.

### Performance Based Contracting and Revenue Generation

- Over the next two fiscal years, \$2 million in VR funding for JOBS, CRT and DDS supported employment will transition to a structured pay for performance model.
- The last year of DVR's Medicaid Infrastructure Grant funding as well as possible federal VR reallocation and DVR ARRA funds will be dedicated to the implementation of this initiative.
- By increasing employment outcomes for Social Security disability program beneficiaries, CWS will generate additional federal revenue for the CRT, DDAS and VR employment programs.

## Changes Needed in Statute and Regulation

At this time, we have not identified any legislative or statute changes necessary to implement Creative Workforce Solutions as designed.

## Timeline for Implementation

The initial launch of employment as an AHS priority and the coordination of employment services through Creative Workforce Solutions is scheduled for a cross-agency Employment Institute on June 29<sup>th</sup> at the Statehouse. Work will continue within the 12 AHS districts to bring the CWS teams together under consistent operating principles. CWS will continue to work on the establishment and measurement of population-specific outcomes and indicators. CWS will host a follow-up statewide training event in the fall.



## **Investments Needed**

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We request that AHS make available \$200,000 in General Fund dollars on a one time basis to the Division of Vocational Rehabilitation to draw down available federal vocational rehabilitation funds through re-allotment. \$200,000 would potentially draw down an additional \$800,000 in federal funds that could be used to seed this effort. The availability of re-allotment funds are dependent on other states not being able to draw down their full allotments and are therefore not guaranteed.

Other than this one time investment, Creative Workforce Solutions will be implemented primarily through reallocation of existing resources. The emphasis will be on using resources currently assigned to employment services in a more coordinated and effective manner.

## **Information Technology (IT) Needs**

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We are in the process of developing an employer accounts management database using Salesforce™. This will be a key tool. We are in discussions with S3 Technologies (a preferred vendor) about assisting us with business process definition, workflow design and a simple database to begin tracking of employment outcomes through CWS. S3 is finishing up work with us to define the business processes for an integrated VR case management system that will allow partner participation and could be a platform for Creative Workforce Solutions across the agency.

We will be looking to the AHS Central Source for Measurement and Evaluation data (CSME) warehouse to track a number of key outcome indicators. These will include:

- Reductions in benefits utilization as a result of employment
- Increases in work participation rates for Reach Up participants
- Recidivism and re-offense rates for offenders

Several departments and divisions involved in CWS currently have access to Department of Labor Unemployment Insurance earnings data to track employment outcomes.

## **Stakeholder Involvement**

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Impacted departments and divisions are all involved in the subgroups working on Reach Up, DOC, CRT, DDS populations and youth. Designated Agency staff are represented on the supported employment groups. As the implementation plans are developed it is our intention to fully involve AHS field staff and to conduct customer focus groups including employers.

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<sup>1</sup> Salesforce™ is a state-of-the-art business collaboration platform that will offer a feature-rich integrated environment for CWS Business Account Managers and job developers both within AHS and in our partner community agencies to collaborate; share job leads, employment market knowledge and ideas; connect with their colleagues, and easily find information and experts. Features that will be particularly useful for CWS include shared employer contact data, calendars and tasks, contact notes and email storage and management, document collaboration and versioning, resource libraries of employer marketing materials, and Salesforce's extensive tools for site administration, security and customization.